GOVERNMENT OF INDIA
CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:655
ANSWERED ON:11.05.2000
PROCUREMENT OF WHEAT BY BIG COMPANIES
NAWAL KISHORE RAI;SUKDEO PASWAN

Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether due to huge difference between the support price of wheat and its price under the Public Distribution System for the people living above poverty line, big companies like Godrej, Hindustan Lever Limited, Kargil India, I.T.C. Agro etc. have made arrangements for procurement of wheat from the markets/mandis of Punjab and Haryana;

(b) if so, the details thereof;

(c) whether the procurement of FCI would be affected due to the stepping in the market of these big companies; and

(d) if so, the steps taken by the Government to ensure that the procurement of wheat by FCI is not affected?

Answer

MINISTER OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION

(SHRI SHANTA KUMAR)

(a), (b), (c) & (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) ,(b), (c) & (d) OF STARRED QUESTION NO. 655 FOR ANSWER IN LOK SABHA ON 11-05-2000.

(a) & (b) : As per reports received from Government of Punjab/Haryana, no big companieslike Godrej, Hindustan Lever Limited, Kargil India, I.T.C. Agro, etc. are making procurement of wheat in these States.However, private traders have purchased 1.85 lakh MTs. and 0.90 lakh MTs. of wheat out of the total arrivals of 82.35 lakh MTs. and 34.99 lakh MTs. of wheat in Punjab and Haryana, respectively.

Under the Minimum Support Price Scheme of the Government, FCI and the State Procuring Agencies are to procure any stocks of wheat which is offered by the farmers at the designated mandis/purchase centres if it is within the quality specifications announced by the Government of India. The farmer is, however, free to sell his produce in the open market or the procuring agencies, as is advantageous to him. Therefore, there is no restriction on purchase of wheat from mandis by the private trade.

(c) & (d) : Does not arise, Sir. However, the FCI/State Governments ensure that pricesupport operations are undertaken to prevent distress sale of foodgrains by farmers.